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COPY NO. 10

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

as of

July 1, 1949

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NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

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1. COMPLETED PROJECTS

(June 13, 1949 - July 1, 1949)

NSC 24/3 POSSIBLE U. S. COURSES OF ACTION IN THE EVENT THE USSR
REIMPOSES THE BERLIN BLOCKADE
(See NSC Actions Nos. 223 and 225)

UNDERSTANDING ON EXPORT CONTROL IN EAST-WEST TRADE
(See NSC Action No. 230)

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2. PROJECTS UNDER CONSIDERATION BY THE NSC

THE CENTRAL INTELLIGENCE AGENCY AND NATIONAL ORGANIZATION FOR INTELLIGENCE

(NSC 50; Memos for NSC from Executive Secretary, same subject, dated January 24, March 2, March 8, and April 4, 1949)

At its 37th Meeting (NSC Action No. 202) the Council considered the reference memos on the subject and referred them to the Secretaries of State and Defense to prepare, in consultation with the Secretary of the Treasury and the Attorney General and in the light of the Council discussion, specific recommendations for Council action. Report by the Secretaries of State and Defense (NSC 50) scheduled for consideration as Item 1 on the agenda of the 43rd NSC Meeting, July 7.

FUTURE COURSE OF U. S. ACTION WITH RESPECT TO AUSTRIA

(NSC 38/2; NSC 38/1)

Report by the Secretary of Defense (NSC 38/1) circulated June 16 to the Council for information and referred to the Department of State in accord with the recommendations of the Secretary of Defense that the Department of State present, as a matter of urgency, its views on the issues involved in a future course of U. S. action with respect to Austria. Report by the Secretary of State in reply (NSC 38/2) circulated July 1 and his recommendation that NSC 38/1 be removed from the Council's agenda, scheduled for consideration as Item 2 on the agenda of the 43rd NSC Meeting, July 7.

POSSIBLE U. S. COURSES OF ACTION IN THE EVENT THE USSR REIMPOSES THE BERLIN BLOCKADE

(Memo for NSC from Executive Secretary, same subject, dated June 13, 1949)

Two points made by the Secretary of State on NSC 24/2, in the enclosure to the reference memo of June 13, were discussed at the 42nd Council Meeting. Action was deferred on the first point until the return of the Secretary of State. With reference to the second point, the Council noted that the Department of State has initiated an extensive study. Discussion of the first point in the memo of June 13, is scheduled as Item 3 on the agenda for the 43rd NSC Meeting, July 7.

NSC STATUS OF PROJECTS

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UNDER CONSIDERATION BY NSC (Cont'd)

INTERNAL SECURITY
(NSC 17/5)

Pursuant to paragraph 7 of NSC 17/4, draft Charters for the Interdepartmental Intelligence Conference and the Interdepartmental Committee on Internal Security (NSC 17/5) were submitted to the Council for consideration by memorandum dated June 15. Approved by the Attorney General, June 20; by Treasury, June 22; and by NSRB, June 24. Awaiting action by State, Defense, Army, Navy and Air Force.

IMPLEMENTATION OF NSC PAPERS

(Memo for NSC from Executive Secretary, same subject, dated May 25, 1949)

Proposed amendment to the agreed procedure for implementing NSC papers (NSC Action No. 123) submitted by the Acting Secretary of State for Council consideration. Approved by NSRB, May 26; by Treasury, May 30. Disapproved and amendment proposed jointly by Defense, Army, Navy, and Air, June 20. Amendment submitted June 21 to State, Treasury and NSRB. Amendment approved by Treasury June 30. Awaiting action by State and NSRB.

MEASURES REQUIRED TO ACHIEVE U. S. OBJECTIVES WITH RESPECT TO THE USSR ✓

(Ref. NSC 20/4; NSC 35; Memo for NSC from Executive Secretary, same subject, dated May 25, 1949; Memo for Consultants from Executive Secretary, same subject, dated March 30, 1949)

On the basis of the statement of U. S. risks and objectives with respect to the USSR (NSC 20/4) as adopted by the Council and approved by the President, the Staff drafted specific measures required to achieve those objectives, pursuant to NSC Action No. 88-b. In this connection, the Staff considered the views of the JCS on military commitments, which were circulated as NSC 35 for Council information and Staff use. Staff draft report presented to Consultants January 11. Referred back to Staff for revisions in the light of the discussion at the Consultants' meeting on January 17. Staff request that JCS views on "military readiness" be obtained for use in completing final draft of report was transmitted to the Secretary of Defense, January 19. JCS views incorporated by the NSC Staff in a draft report submitted to the Consultants by memo dated March 30. Concurred in by Navy and NSRB, April 1; by Air Force, April 5; by Army, April 12. State recommendations regarding this project submitted by memo dated May 25 to Council. Defense proposal with respect to State recommendations submitted to the Council for consideration by memo dated June 21. To be scheduled for consideration at an early Council meeting.

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UNDER CONSIDERATION BY NSC (Cont'd)

DEVELOPMENTS WITH RESPECT TO WESTERN UNION
(NSC Action No. 211)

At its 39th Meeting the Council agreed to retain this subject on its agenda pending consideration of policy questions with respect thereto which have not yet been decided.

3. PROJECTS UNDER CONSIDERATION BY THE NSC SUB-COMMITTEE ON GERMANY
(NSC Action No. 176)

The Sub-committee met initially on January 28, 1949, pursuant to the reference action, approved a procedure for its activities and designated representatives as a Steering Group. It was agreed that the Department of State would prepare for consideration by the Steering Group the first draft of a restatement of our policy toward Germany, and that the Steering Group should undertake concurrently the preparation of position papers on the following problems, the first four of which should have priority over the remainder:

1. Occupation Statute for Western Germany
2. Trizonal Fusion Agreement
3. German Constitution
4. Ruhr Control Plan
5. Prohibited and Restricted Industries
6. Reparations
7. Western Germany's Long-Range Economic Program
(GARIOA and ECA)
8. Western Berlin Currency Situation

The Steering Group has held fifteen meetings to date, during which policy toward Germany and the above problems were discussed, as well as the question of administrative arrangements for Germany.

Awaiting report by the Sub-committee.

(See also POSSIBLE U. S. COURSES OF ACTION IN THE EVENT THE USSR RE IMPOSES THE BERLIN BLOCKADE, Section 2.)

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4. PROJECTS UNDER CONSIDERATION BY THE NSC CONSULTANTS ✓

UNITED STATES POLICY IN THE EVENT OF A COMMUNIST THREAT TO ICELAND
(NSC 40; Memo for Consultants from Executive Secretary, same subject, dated April 21, 1949)

Study by the JCS on "Future Operations in Iceland" circulated at the request of the Secretary of Defense and with the concurrence of the Secretary of State to the Council for information and referred to the NSC Staff for preparation of a report for Council consideration. Draft report submitted to Consultants April 21. NSRB concurred April 22; Navy, April 26; Defense, April 27; Army and Air, April 29. State Consultant submitted an alternative draft report, June 24, which is now under consideration by Defense, Army, Navy, Air and NSRB Consultants.

PLANNING FOR LIMITED JAPANESE ARMED FORCES ✓

(NSC 44 and memo for NSC from Executive Secretary, subject: "Limited Military Armament for Japan", dated March 11, 1949; Memo for Consultants from Executive Secretary, above subject, dated April 27, 1949)

Study by the Department of the Army, "Limited Military Armament for Japan", and comments thereon by General MacArthur and the JCS, referred by the Secretary of Defense for examination by the NSC Staff with a view to preparing possible amendments to NSC 13/2 for Council consideration. Draft report submitted to the Consultants, April 28. Concurred in by Defense and Navy, May 3; by Army, May 5; by NSRB, May 7; by Air, May 9. Awaiting action by State.

THE POSITION OF THE UNITED STATES WITH RESPECT TO IRAN ✓

At the request of the Acting Secretary of the Army, the NSC Staff was directed to review the U. S. position with respect to Iran, to include consideration of the action which the U. S. should take to counter possible Soviet courses of action, and to prepare a study for consideration by the Council. A study prepared by the Department of the Army, suggesting specific U. S. action with respect to one of the possible Soviet courses of action, was furnished to the NSC Staff for consideration. A draft analysis by the State Staff member, the views of the Defense Staff member and a CIA estimate of the current situation in Iran were considered by the Staff in the preparation of a Staff study. The Staff study was submitted to the Consultants by memo dated June 28 for their consideration. Awaiting action by all Consultants.

NSC STATUS OF PROJECTS

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5. PROJECTS IN PREPARATION BY NSC STAFF

U. S. POLICY TOWARD ASIA

(NSC 48; Memo for NSC from Executive Secretary, "Appraisal of U. S. National Interests in South Asia", dated June 2 and 17, 1949; NSC 51)

A request by the Secretary of Defense (NSC 48) for a study of the current situation in Asia was circulated on June 10 for the information of the Council and referred to the NSC Staff for the preparation of a report for Council consideration. At its 42nd Meeting SANACC 360/14, "Appraisal of U. S. National Interests in South Asia", (Memo of June 2), together with amendments proposed by the Secretary of Defense (Memo of June 17) were referred by the Council to the NSC Staff for use in the preparation of its study on "U. S. Policy Toward Asia" and for re-examination in the light of that study and of the discussion at the meeting. The Secretary of the Army forwarded on June 30, a staff study prepared in the Department of the Army on "Implications of a Possible Full Scale Invasion from North Korea Subsequent to Withdrawal of U. S. Troops from Korea" and comments of the Joint Chiefs of Staff thereon for use as appropriate by the NSC Staff in its consideration of a U. S. policy toward Asia. The Secretary of State on July 1 transmitted a report on "U. S. Policy Toward Southeast Asia", (NSC 51) which was circulated for the information of the Council, and referred to the Staff for consideration in connection with NSC 48. Awaiting Staff study.

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6. OTHER CURRENT PROJECTS

CURRENT STRATEGIC EVALUATION OF U. S. SECURITY NEEDS IN JAPAN
(NSC 49; Memo for Secretary of Defense from Executive Secretary, same subject, dated May 24, 1949)

In accord with the questions raised by the Acting Secretary of State in the reference memo, the Secretary of Defense was requested to furnish a current strategic evaluation of U. S. security needs in Japan for Council information and for State Department use in its initial studies of the present adequacy of NSC 13/3. Report from the Secretary of Defense circulated on June 15 (NSC 49) for the information of the Council and for the use of the Department of State. Awaiting further action by State.

UNITED STATES STRATEGIC INTERESTS IN ISRAEL
(NSC 47)

In accord with the suggestion of the Secretary of Defense, the Secretary of State has been requested to prepare for Council consideration an initial report which re-examines and develops an up-to-date policy on the position of the United States with respect to Israel, in light of developments over the course of the last twelve months and in view of the conclusions reached by the JCS in NSC 47. Awaiting report by the Secretary of State.

DISPOSITION OF THE FORMER ITALIAN COLONIES IN AFRICA
(NSC 19/1 and 19/2; Memo for Secretary of State from Executive Secretary, same subject, dated December 15, 1948)

At its 17th Meeting, August 5, the NSC reviewed and discussed the subject but deferred further action pending the results of negotiations referred to by the Department of State in NSC 19/2. As suggested by the Secretary of Defense in the reference memo, the Department of State was requested to prepare a progress report summarizing implementation of NSC 19/1, setting forth any suggestions concerning changes in NSC 19/1 as a basis for reconsideration by the NSC of the policies approved in that report. A "Progress Report" by the Acting Secretary of State which constituted an interim report was circulated to the Council, June 15, in which it was stated that a more detailed report on a U. S. position for the next session of the UN General Assembly is being prepared by the Department of State for Council consideration. Awaiting State report.

7. DEFERRED PROJECTS

NATIONAL SECURITY OBJECTIVES OF THE UNITED STATES

Study initiated by NSC Staff December 2, 1947 as a long-term project. First draft issued February 25, 1948. Further consideration subsequently deferred until after NSC action on the NSC 20 and 35 Series. Awaiting completion of a study on this subject being prepared by the Department of State as a long-term project.

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